

## Miscellaneous Professional Errors and Omissions Liability Application

(This is an Application for a Claims Made and Reported Policy)

PLEASE TYPE OR PRINT LEGIBLY. ALL QUESTIONS MUST BE ANSWERED.

1. Full Name of Applicant (Firm): \_\_\_\_\_

2. Principal Business Address: (Please list any secondary or foreign locations on a separate sheet)

No.	Street
Town	State

3. Year Established: \_\_\_\_\_

4. Specify if:    Individual       Partnership       Corporation       Other \_\_\_\_\_

5. Are you owned by, or affiliated with other companies, or do you have any subsidiaries? .....  Yes    No  
If yes, advise who they are. \_\_\_\_\_

6. Do you wish to apply for coverage for any of these entities? .....  Yes    No  
If yes, please identify the entity(ies). \_\_\_\_\_

7. Within the past five (5) years, have you changed your name, acquired any business, or have you merged or consolidated with any entity? .....  Yes    No  
If yes, provide the following information (If more space is needed, advise by attachment).

Name of Entity	Date of Transaction	Type of Transaction (acquisition, merger or consolidation)

8. For any of the transactions listed above, did you assume the liabilities (i.e. responsibility for prior acts) for the acquired, merged or consolidated entity? .....  Yes    No  
If yes, provide details including relevant dates of the liability(ies) assumed. \_\_\_\_\_

9. Describe the services you provide that you wish to insure: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

10. Provide the number of your:  
Principals, partners or officers: \_\_\_\_\_  
Technical personnel: \_\_\_\_\_  
Clerical personnel: \_\_\_\_\_

11. List the qualification of key personnel for attach experience resume of each. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

12. List any professional societies and trade associations relating to the service to be insured in which you or any of your officers are members. \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

13. Do you have any certified or licensed professionals on staff? (i.e., architects, engineer, medical practitioner, attorney, CPA, actuary or insurance agent or broker, etc.).....  Yes  No  
 If yes, what are the professions and what services are they providing? \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

14. Are you engaged in any other business or professional activity? .....  Yes  No  
 If yes, attach explanation and receipts generated by these activities.

15. a. Provide the following information regarding your gross annual revenues:

	Past 12 months	Current 12 Months	Estimate for Coming Year
Domestic Operations			

	Past 12 months	Current 12 Months	Estimate for Coming Year
Foreign Operations			

b. Are there any planned changes in your operations during the next 12 months? .....  Yes  No  
 If yes, provide explanation. \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

16. Do you use independent contractors or subcontractors for the services described in question 9. above?.....  Yes  No  
 If yes, describe the services they provide and the estimated percentage of business involving subcontracting of work to others. \_\_\_\_\_ %

17. Are Certificates or Insurance required?.....  Yes  No

18. Do you use a written contract or agreement describing the services you will provide? .....  Yes  No  
 If yes, attach representative contract, work order, license agreement or letter of agreement you use with your clients. If no, on an attachment, explain how you reach an agreement with your clients regarding the services to be insured.

a. Percentage of business/projects where contracts/agreements are used? \_\_\_\_\_ %

b. Do your contracts/agreements contain:

Guarantees or warranties? .....  Yes  No

Hold harmless or indemnification agreement? .....  Yes  No

Disclaimers? .....  Yes  No

An arbitration or alternative dispute resolution clause? .....  Yes  No

An estimate of fees to be charged? .....  Yes  No

c. Has a law firm experienced in your field reviewed your contracts? .....  Yes  No

d. Has a law firm experienced in your field reviewed your procedures? .....  Yes  No

19. Briefly describe your five largest jobs or projects during the past five years.

Client	Revenue	Service(s) Performed

20. Provide the following information for General Liability coverage currently in force:

Company	Limit	Deductible	Policy Term
	\$	\$	
	\$	\$	
	\$	\$	

21. List your prior Professional Liability Insurance carriers for the past five (5) years as follows:

Name of Insurer	Period	Limit	Deductible	Claims Made or Occurrence	Premium

22. What is the retroactive date of expiring Professional Liability policy? \_\_\_\_\_

23. After inquiry, have any claims been made during the past five (5) years against any of you or any of the present partners or to your knowledge against any past directors, partners, or officers? .....  Yes  No

If yes, on attached SUPPLEMENTAL CLAIMS INFORMATION SHEET give full details including status of claim, amounts demanded or paid and dates of claims.

24. After inquiry, have any claims been made during the past five (5) years against any of your office workers or employees? .....  Yes  No

If yes, on attached SUPPLEMENTAL CLAIMS INFORMATION SHEET give full details including status of claim, amounts demanded or paid and dates of claims.

25. After inquiry, are you aware of any facts or circumstances or any allegations or contentions of any incident which may result in any claim being made against you, or any of your past or present partners, executive officers, directors, office workers or employees, any predecessors in business or against any corporation that you were formerly employed by, associated with or had an interest in? .....  Yes  No

If yes, on attached SUPPLEMENTAL CLAIMS INFORMATION SHEET give full details including status of claim, Amounts demanded or paid and dates of claims.

**It is agreed that if such knowledge exists, any claim or action arising therefrom is excluded from this proposed coverage.**

26. Limit of Liability desired: Please note that the Company might require an alternative limit.  
 \$500,000/\$500,000     \$500,000/\$1,000,000     \$1,000,000/\$1,000,000     Other \_\_\_\_\_

27. Deductible desired: Please note that the Company might require an alternative deductible.  
 \$2,500     \$5,000     \$10,000     Other \_\_\_\_\_

28. Desired Effective Date:    \_\_\_\_\_    \_\_\_\_\_    \_\_\_\_\_  
  Month    Day    Year

29. SUBMIT UNDER SEPARATE COVER WITH THIS APPLICATION:

- (1) A brief resume for all principals, partners and officers;
- (2) Copies of all:
  - (a) advertisements, brochures, descriptive literature;
  - (b) sample contract between applicant and client outlining services to be rendered (if one is used); and
  - (c) latest financial data (annual report and/or balance sheet).

30. **THE APPLICANT AND FIRM ACCEPT NOTICE THAT ANY POLICY WHICH MAY BE ISSUED WILL APPLY ON A "CLAIMS MADE AND REPORTED" BASIS.**

The undersigned authorized person, on behalf of the applicant, attests that to the best of the his/her knowledge and belief the statements set forth herein are true. Although the signing of this Application Form does not bind the undersigned to effect insurance, the undersigned agrees that this application and the said statements shall be the basis of the policy of insurance and deemed incorporated therein, should the Company evidence its acceptance of this application by issuance of a policy.

The undersigned authorized person on behalf of the applicant declares that the above statements are true, that neither the undersigned person nor the applicant has suppressed or misstated facts and that at the present time the applicant has no reason to anticipate any claims being brought against the applicant or any representative of the applicant or knowledge of any negligent act, error, omission or offense on the applicant's part or any representative of the applicant except as stated herein, and agrees that this Application Form shall be the basis of the contract between the applicant and the Company and shall be deemed a part hereof.

**NEW YORK—WARNING:** Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime, and shall also be subject to a civil penalty not to exceed five thousand dollars and the stated value of the claim for each such violation.

**FRAUD WARNING:** Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

Signing this form does not bind you to complete the insurance. Coverage will become effective upon approval of the application and issuance of the policy. It is agreed that this form will be the basis of the contract. Should a policy be issued, this form will be attached to and become a part of the policy.

The answers given to all questions in this application are complete and correct to the best of my knowledge.

\_\_\_\_\_  
Signature and Title of Applicant (must be President or CEO)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Producer's Name

\_\_\_\_\_  
Area Code    Phone Number

**Producer:** Will you make the surplus line filing for this policy? .....  Yes     No

**Your Surplus Lines Number:** \_\_\_\_\_

**TITLE AGENTS, ABSTRACTORS AND ESCROW AGENTS SUPPLEMENTAL APPLICATION  
FOR ERRORS AND OMISSIONS COVERAGE**

1. a. Indicate the percent of total annual gross receipts derived from the following areas: **% Gross Receipts**
- |                                  |       |   |
|----------------------------------|-------|---|
| Title Abstract/Search Fees ..... | _____ | % |
| Title Agent Commissions .....    | _____ | % |
| Closing and Escrow Fees .....    | _____ | % |
| Fees for Title Opinions .....    | _____ | % |
| Other (describe): _____          | _____ | % |
| _____                            | _____ | % |

TOTAL      100    %

- b. Who provides closing and escrow services?

Staff .....  Yes    No

Independent Contractor .....  Yes    No

Other (describe): \_\_\_\_\_

Independent Contractor Name: \_\_\_\_\_

Address: \_\_\_\_\_

Years in Business: \_\_\_\_\_ Do they carry E & O Insurance?.....  Yes    No

Name of Carrier: \_\_\_\_\_

2. Do any of the following types of operations have an ownership interest in your firm or vice versa?.....  Yes    No

If yes, give explanation, including names and ownership percentage: \_\_\_\_\_

Title Insurance Underwriter .....  Yes    No

Real Estate Agency .....  Yes    No

Law Firm .....  Yes    No

Other (describe below) .....  Yes    No

**If yes to any of these, are they:**

1) Involved in the management of your firm?.....  Yes    No

2) Sharing office space with your firm?.....  Yes    No

3) Interchanging staff with your firm?.....  Yes    No

3. a. Estimate the percentage of total gross income generated in the following areas:

Residential ..... \_\_\_\_\_ %

Commercial ..... \_\_\_\_\_ %

Total      100    %

- b. Estimate the percentage of total gross income generated in the following areas:

Oil & Gas ..... \_\_\_\_\_ %

Metal & Mineral ..... \_\_\_\_\_ %

Developers & Builders ..... \_\_\_\_\_ %

c. In areas requiring special expertise such as complex commercial, oil/gas or metals/minerals, do you have qualified staff and/or do you consult with your title underwriter(s)? .....  Yes  No  
 Explain procedures: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

4. Complete the following with a list of officers, directors, partners, and professional employees, indicating job description and the number of years of experience in the title industry. If less than 3 years, please send resumes. If an employee performs more than one function, include them in the category of major function.

Name	CHECK ALL THAT APPLY					# Years Exp.
	Title Agent	Abstractor/ Title Searcher	Attorney*	Closing/ Escrow Agent	Other	
<b>SUBTOTAL</b>						

\*Attorneys will only be insured when acting within the scope of their employment as a staff attorney for you.

5. a. Of the above, who performs title opinions for closings when title insurance is **not** the end product? \_\_\_\_\_  
 \_\_\_\_\_  
 b. Who determines "insurability of title"? \_\_\_\_\_  
 \_\_\_\_\_  
 c. Does any owner, officer or employee of yours have a financial interest in any of the properties that you perform title agent services for? .....  Yes  No  
**NOTE: This activity is excluded.**

6. Total number of other employees (clerical, accounting, etc.): \_\_\_\_\_  
 7. List states and counties where you conduct title business: \_\_\_\_\_  
 \_\_\_\_\_

8. List title insurance companies you represent and percentages of total premium written (**no abbreviations**):

Company	Percentage

**Attach copies of all agency contracts.** THE ABOVE MUST TOTAL 100%

9. Has a title company ever cancelled or nonrenewed their agency contract with you? .....  Yes  No  
 If yes, explain: \_\_\_\_\_  
 \_\_\_\_\_

10. Who performs your title searches?  
 Applicant Firm..... %  
 Independent Contractor..... %  
THESE MUST TOTAL 100%

Independent Contractor Name: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 Years in Business: \_\_\_\_\_ Do they carry E & O?.....  Yes  No  
 Name of Carrier: \_\_\_\_\_

11. Do you maintain an in-house title plant? .....  Yes  No  
 Grantor/Grantee Index .....  Yes  No  
 It is maintained using software you designed? .....  Yes  No  
 Using shared/purchased software? .....  Yes  No

12. If an in-house plant is not maintained, from what source is data compiled?  
 Courthouse records? .....  Yes  No \_\_\_\_\_ %  
 Title Company Plant? .....  Yes  No \_\_\_\_\_ %  
 Independent Searcher? .....  Yes  No \_\_\_\_\_ %

THE ABOVE MUST TOTAL 100%

13. Indicate all sources of training for your employees:  
 ALTA or LTI Courses  "On the Job"  CLS Course  
 Title Industry Schools  Seminars  Other: \_\_\_\_\_

14. Are you a member of ALTA (state or national)?.....  Yes  No

**COMPLETE THIS SECTION ONLY IF CLOSING AND/OR ESCROW SERVICES ARE PROVIDED.**

15. For the past year, indicate the following:  
 Total gross revenues for closing/escrow services ..... \$ \_\_\_\_\_  
 Number of closings/escrows performed ..... \_\_\_\_\_  
 Average value of closing/escrow properties ..... \$ \_\_\_\_\_

16. Indicate the percent of closing/escrow income derived from the following:  
 Commercial loans ..... \_\_\_\_\_ %  
 Residential loans ..... \_\_\_\_\_ %  
 Land loans ..... \_\_\_\_\_ %  
 Construction loans ..... \_\_\_\_\_ %  
 Other (describe) \_\_\_\_\_ ..... \_\_\_\_\_ %  
 TOTAL 100%

17. Indicate the percent of business derived from the following client types:  
 Real Estate Firms (no ownership by you) ..... \_\_\_\_\_ %  
 Title Companies ..... \_\_\_\_\_ %  
 Banks, Savings & Loans, Mortgage Companies ..... \_\_\_\_\_ %  
 Private Owners ..... \_\_\_\_\_ %  
 Builders and Developers ..... \_\_\_\_\_ %  
 Other (describe) \_\_\_\_\_ ..... \_\_\_\_\_ %  
 TOTAL 100%

18. In areas requiring special expertise such as commercial and development, do you have qualified staff and/or do you consult your title underwriter? .....  Yes  No

Explain procedure: \_\_\_\_\_  
 \_\_\_\_\_

19. Does any client represent more than 25% of your annual income? .....  Yes  No  
If yes, explain: \_\_\_\_\_  
\_\_\_\_\_

20. When providing closing/escrow services, do you?
- a. Perform escrow services according to written instruction only? .....  Yes  No
  - b. Require signatures on any changes to instructions? .....  Yes  No
  - c. Internally audit escrow files prior to closing? .....  Yes  No
  - d. Have a regular audit conducted by an independent CPA firm? .....  Yes  No
  - e. Have procedures and records audited by title underwriter? .....  Yes  No
  - f. Require cashiers checks or "good funds" at or near escrow closing? .....  Yes  No
  - g. Document and obtain signatures from all parties when making changes or deviating from the original escrow contract? .....  Yes  No
  - h. Ever close without a title insurance commitment or a title opinion? .....  Yes  No
  - i. Hold escrow funds for more than one year? .....  Yes  No

21. How often are escrow accounts balanced? \_\_\_\_\_  
How do you reconcile shortages? \_\_\_\_\_

22. Do you perform or handle any tax-deferred real estate exchanges? .....  Yes  No

**State of Washington Escrow Agents only.**

List the Limited Practice Officers below (attach resumes)

- 1. \_\_\_\_\_
- 2. \_\_\_\_\_
- 3. \_\_\_\_\_
- 4. \_\_\_\_\_
- 5. \_\_\_\_\_
- 6. \_\_\_\_\_
- 7. \_\_\_\_\_
- 8. \_\_\_\_\_
- 9. \_\_\_\_\_

It is understood that this supplement becomes a part of the general application for Errors and Omissions Coverage.

**FRAUD WARNING:** Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties.

\_\_\_\_\_

Date	Signature	Title
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Attach a copy of any preprinted escrow agreement and instruction forms and a copy of your escrow license.

State of: \_\_\_\_\_